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DE RUEHSG #0242/01 0541930 ZNR UUUUU ZZH R 231928Z FEB 10 FM AMEMBASSY SANTIAGO TO RUEHC/SECSTATE WASHDC 0937 INFO RHEFDIA/DIA WASHINGTON DC RHMFISS/HQ USSOUTHCOM MIAMI FL RUCPDOC/DEPT OF COMMERCE WASHINGTON DC RUEAIIA/CIA WASHINGTON DC RUEATRS/DEPT OF TREASURY WASHINGTON DC RUEHAC/AMEMBASSY ASUNCION RUEHBO/AMEMBASSY BOGOTA RUEHBR/AMEMBASSY BRASILIA RUEHBU/AMEMBASSY BUENOS AIRES RUEHCV/AMEMBASSY CARACAS RUEHMN/AMEMBASSY MONTEVIDEO RUEHPE/AMEMBASSY LIMA RUEHQT/AMEMBASSY QUITO RUEHSG/AMEMBASSY SANTIAGO

UNCLAS SANTIAGO 000242

SIPDIS

STATE FOR R/MR, I/PP, WHA/BSC, WHA/PDA, INR/IAA

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TAGS: ECON KMDR KPAO PGOV PREL SNAR EFIN CI SUBJECT: Santiago Feb. 23 Media Report

Lead Story

1. President Bachelet and President-elect PiC1. President Bachelet and President-elect PiC Mercurio, 2/23).

Editorials

19. Editorial on the recent signature of the Chile-U.S. tax agreement: "The agreement was concluded after 10 years of talks between the two countries.... Chile is negotiating similar treaties with 12 other countries and has another 21 already in effect.... Chile should continue in this direction and sign as many agreements of this kind as possible, because they strengthen international trade and benefits both parties" (El Mercurio, 2/23).

Obama Administration

- 110. Editorial entitled, "Together against the Taliban": "We are beginning to see the first results of Obama's political and military strategy in Afghanistan. Operation Mushtarak... has been the largest allied attack on Marjah... a key zone for the Taliban that was impenetrable ... Many criticized Washington for 'warning' the Taliban of the attacks through the media, but the calculated leak allowed civilians to flee ... and many Taliban to desert... This week we learned that a joint CIA-Pakistan operations resulted in the capture of three Taliban leaders... This not only weakens the Taliban for now. It also shows that the United States and Pakistan are overcoming the problems that undermined their cooperation in the Bush administration... The current strategy seems to indicate that Obama has understood how to confront the dangerous and versatile enemy and that it is necessary to include Afghans and Pakistanis to win" (Conservative, influential newspaper-of-record El Mercurio, 2/21).
- 111. Editorial on the meeting between President Obama and the Dalai Lama: "China has clearly demanded the meeting not take place.... but the U.S. president has gone ahead with it anyway.... This is just one of several incidents that show that China sees itself as a world power and as such is demanding respect for its foreign policy and economic decisions... Washington is challenging the Asian Giant in its more sensitive spot: its sovereignty. But both countries need each other. We are now witnessing the struggle of

an ascending power to place itself on equal terms next to the world's most important actor" (El Mercurio, 2/22).

112. Editorial "Obama bets on nuclear energy": "The world is at a crossroad. Gas emissions are aggravating global warming and large scale alternative energies... are still costly.... Today, 20 percent of the energy that the United States uses is nuclear, and although it must yet improve nuclear waste recycling, in the mid-term this type of energy seems to be the only choice to stop using fossil fuels as soon as possible. Plus, China is building 21 reactors, India five, and South Korea six. In the future, if a country cannot generate the energy it needs, it will have to buy it from others" (El Mercurio, 2/22) SIMONS